AMENDED IN ASSEMBLY JUNE 17, 2014 AMENDED IN SENATE MAY 7, 2014 AMENDED IN SENATE APRIL 24, 2014 AMENDED IN SENATE MARCH 26, 2014

SENATE BILL

No. 1263

Introduced by Senator Pavley

February 21, 2014

An act to amend Sections 47605 and 47605.1 of the Education Code, relating to charter schools.

LEGISLATIVE COUNSEL'S DIGEST

SB 1263, as amended, Pavley. Charter schools: location.

Existing law authorizes a charter school that is unable to locate within the jurisdiction or geographic boundaries of the chartering school district to establish one site outside the boundaries of the school district, but within the county in which that school district is located, if the school district where the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools is notified of the location of the charter school before it commences operations and either the charter school has attempted to locate a single site or facility to house the entire program, but such a site or facility is unavailable in the area in which the school chooses to locate or the site is needed for temporary use during a construction or expansion project.

This bill would delete the authority of a charter school to locate outside the jurisdiction or geographic boundaries of the chartering school district, as described above. district because the charter school has attempted to locate a single site or facility to house the entire program,

SB 1263 -2-

but a site or facility is unavailable in the area in which the charter school chooses to locate. The bill would authorize a charter school to establish one site outside the boundaries of the school district, as described above, if the site is needed for temporary use for up to one school year during a construction or expansion project, unless the school district in which the charter school intends to operate consents to a longer period of time. The bill would require a charter school locating outside the boundaries of the authorizing school district for temporary use to provide the parents of pupils enrolled at the charter school with specified information at least 60 days before the beginning of the school year. The bill would authorize a charter school that was authorized to locate, and operated, a site outside the boundaries of the authorizing school district at which pupils were enrolled and attending before July 1, 2014, to continue operating the site until the charter school applies for renewal of its charter. At the time the charter school applies for renewal of its charter, the bill would require the authorizing school district to make specified findings in order for the charter school to continue operating outside the boundaries of the authorizing school district, unless the school district in which the site is located consents to the location of the charter school site. The bill would prohibit a school district that is assigned a negative certification, as specified, from authorizing new charter schools to locate outside the boundaries of the school district. The bill would also make nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. It is the intent of the Legislature to close the statutory loopholes authorizing a charter school to locate outside the geographic boundaries of the chartering school district.
- 4 SEC. 2. Section 47605 of the Education Code is amended to 5 read:
- 6 47605. (a) (1) Except as set forth in paragraph (2), a petition 7 for the establishment of a charter school within a school district
- 8 may be circulated by one or more persons seeking to establish the
- 9 charter school. A petition for the establishment of a charter school
- 10 shall identify a single charter school that will operate within the
- 11 geographic boundaries of that school district. A charter school

-3- SB 1263

may propose to operate at multiple sites within the school district, as long as each location is identified in the charter school petition. The petition may be submitted to the governing board of the school district for review after either of the following conditions is met:

- (A) The petition is signed by a number of parents or legal guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation.
- (B) The petition is signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation.
- (2) A petition that proposes to convert an existing public school to a charter school that would not be eligible for a loan pursuant to subdivision (c) of Section 41365 may be circulated by one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after the petition is signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.
- (3) A petition shall include a prominent statement that a signature on the petition means that the parent or legal guardian is meaningfully interested in having his or her child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.
- (4) After receiving approval of its petition, a charter school that proposes to establish operations at one or more additional sites shall request a material revision to its charter and shall notify the authority that granted its charter of those additional locations. The authority that granted its charter shall consider whether to approve those additional locations at an open, public meeting. If the additional locations are approved, they shall be a material revision to the charter school's charter.
- (5) (A) Except as provided in subparagraph (C), a charter school that is unable to locate within the jurisdiction of the chartering school district may establish one site outside the boundaries of the school district, but within the county in which that school district is located, if the school district within the jurisdiction of which the charter school proposes to operate is

SB 1263 —4—

1 notified in advance of the charter petition approval, the county 2 superintendent of schools and the Superintendent are notified of 3 the location of the charter school before it commences operations, 4 and the site is needed for temporary use for up to one school year 5 during a construction or expansion project, unless the school 6 district in which the charter school intends to operate consents to 7 a longer period of time.

- (B) A charter school that locates outside the boundaries of the authorizing school district pursuant to subparagraph (A) shall notify all parents of the pupils enrolled at the charter school at least 60 days before the beginning of the school year of all of the following information:
 - (i) The name of the authorizing school district.
- (ii) The location of the temporary site at which the charter school will locate.
 - (iii) The reason for the temporary site.
- (iv) The location of the site the charter school intends to locate within the authorizing school district after the temporary site.
- (v) The contact information, including, but not limited to, the name, phone number, and email address, of a person employed by the governing body of the charter school who may be contacted for questions or additional information.
- (C) (i) A charter school that was authorized to locate, and operated, a site outside the boundaries of the authorizing school district at which pupils were enrolled and attending before July 1, 2014, may continue to operate the site outside the boundaries of the authorizing school district until the charter school applies for renewal of its charter. At the time the charter school applies for renewal of its charter, the governing board of the authorizing school district shall make the following findings in order for the charter school to continue operating outside the boundaries of the authorizing school district:
- (I) That there is no site within the boundaries of the authorizing school district for the charter school to locate.
- (II) That only one site is located outside the boundaries of the authorizing school district.
- (ii) If the governing board of the authorizing school district does not make the findings described in subclauses (I) and (II) of clause (i), the charter school shall not operate a site outside the boundaries of the authorizing school district after renewal of its

5 SB 1263

charter unless the school district in which the site is located consents to the location of the charter school site.

(D) Notwithstanding subparagraph (A), a school district that is assigned a negative certification pursuant to paragraph (1) of subdivision (a) of Section 42131 shall not authorize new charter schools to locate outside the boundaries of the school district.

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- (6) Commencing January 1, 2003, a petition to establish a charter school shall not be approved to serve pupils in a grade level that is not served by the school district of the governing board considering the petition, unless the petition proposes to serve pupils in all of the grade levels served by that school district.
- (b) No later than 30 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the school district, other employees of the school district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 60 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that the establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:
- (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
- (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.

SB 1263 -6-

(3) The petition does not contain the number of signatures required by subdivision (a).

- (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all of the following:
- (A) (i) A description of the educational program of the charter school, designed, among other things, to identify those whom the charter school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.
- (ii) A description, for the charter school, of annual goals, for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, or the nature of the program operated, by the charter school, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.
- (iii) If the proposed charter school will serve high school pupils, a description of the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the "A" to "G" admissions criteria may be considered to meet college entrance requirements.
- (B) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means the extent to which all pupils of the charter school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the charter school's educational program. Pupil outcomes shall include outcomes that address increases in pupil academic achievement both schoolwide and for all groups of pupils served by the charter school, as that term is defined in subparagraph

7 SB 1263

(B) of paragraph (3) of subdivision (a) of Section 47607. The pupil outcomes shall align with the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, or the nature of the program operated, by the charter school.

- (C) The method by which pupil progress in meeting those pupil outcomes is to be measured. To the extent practicable, the method for measuring pupil outcomes for state priorities shall be consistent with the way information is reported on a school accountability report card.
- (D) The governance structure of the charter school, including, but not limited to, the process to be followed by the charter school to ensure parental involvement.
- (E) The qualifications to be met by individuals to be employed by the charter school.
- (F) The procedures that the charter school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the charter school furnish it with a criminal record summary as described in Section 44237.
- (G) The means by which the charter school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.
 - (H) Admission requirements, if applicable.
- (I) The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.
- (J) The procedures by which pupils can be suspended or expelled.
- (K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.
- (L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.
- (M) A description of the rights of an employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.

SB 1263 -8-

(N) The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.

- (O) A declaration of whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.
- (P) A description of the procedures to be used if the charter school closes. The procedures shall ensure a final audit of the charter school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.
- (c) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Sections 60605 and 60851 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.
- (2) Charter schools shall, on a regular basis, consult with their parents, legal guardians, and teachers regarding the charter school's educational programs.
- (d) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against a pupil on the basis of the characteristics listed in Section 220. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of his or her parent or legal guardian, within this state, except that an existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.
- (2) (A) A charter school shall admit all pupils who wish to attend the school.
- (B) If the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the *school* district except as provided for in Section 47614.5. Other preferences may

-9- SB 1263

be permitted by the chartering authority on an individual school basis and only if consistent with the law.

- (C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and in no event shall take any action to impede the charter school from expanding enrollment to meet pupil demand.
- (3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including a transcript of grades or report card, and health information. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.
- (e) The governing board of a school district shall not require an employee of the school district to be employed in a charter school.
- (f) The governing board of a school district shall not require a pupil enrolled in the school district to attend a charter school.
- (g) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the charter school, including, but not limited to, the facilities to be used by the charter school, the manner in which administrative services of the charter school are to be provided, and potential civil liability effects, if any, upon the charter school and upon the school district. The description of the facilities to be used by the charter school shall specify where the charter school intends to locate. The petitioner or petitioners also shall be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation.
- (h) In reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under Section 54032, as—it that section read before July 19, 2006.
- (i) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written

SB 1263 — 10—

notice of that approval, including a copy of the petition, to the applicable county superintendent of schools, the department, and the state board.

- (i) (1) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to the county board of education. The county board of education shall review the petition pursuant to subdivision (b). If the petitioner elects to submit a petition for establishment of a charter school to the county board of education and the county board of education denies the petition, the petitioner may file a petition for establishment of a charter school with the state board, and the state board may approve the petition, in accordance with subdivision (b). A charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.
- (2) In assuming its role as a chartering agency, the state board shall develop criteria to be used for the review and approval of charter school petitions presented to the state board. The criteria shall address all elements required for charter approval, as identified in subdivision (b), and shall define "reasonably comprehensive" as used in paragraph (5) of subdivision (b) in a way that is consistent with the intent of this part. Upon satisfactory completion of the criteria, the state board shall adopt the criteria on or before June 30, 2001.
- (3) A charter school for which a charter is granted by either the county board of education or the state board based on an appeal pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.
- (4) If either the county board of education or the state board fails to act on a petition within 120 days of receipt, the decision of the governing board of the school district to deny a petition shall be subject to judicial review.

-11- SB 1263

(5) The state board shall adopt regulations implementing this subdivision.

- (6) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition to the department and the state board.
- (k) (1) The state board may, by mutual agreement, designate its supervisorial and oversight responsibilities for a charter school approved by the state board to any local educational agency in the county in which the charter school is located or to the governing board of the school district that first denied the petition.
- (2) The designated local educational agency shall have all monitoring and supervising authority of a chartering agency, including, but not limited to, powers and duties set forth in Section 47607, except the power of revocation, which shall remain with the state board.
- (3) A charter school that is granted its charter through an appeal to the state board and elects to seek renewal of its charter shall, before expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the charter school's petition for renewal, the charter school may petition the state board for renewal of its charter.
- (*l*) Teachers in charter schools shall hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.
- (m) A charter school shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year, as described in subparagraph (I) of paragraph (5) of subdivision (b), to its chartering entity, the Controller, the county superintendent of schools of the county in which the charter school is sited, unless the county board of education of the county in which the charter school is sited is the chartering entity, and the department by December 15 of each year. This subdivision does not apply if the

SB 1263 — 12 —

audit of the charter school is encompassed in the audit of the chartering entity pursuant to Section 41020.

- SEC. 3. Section 47605.1 of the Education Code is amended to read:
- 47605.1. (a) (1) Notwithstanding any other law, a charter school that is granted a charter from the governing board of a school district or county office of education after July 1, 2002, and commences providing educational services to pupils on or after July 1, 2002, shall locate in accordance with the geographic and site limitations of this part.
- (2) Notwithstanding any other law, a charter school that is granted a charter by the state board after July 1, 2002, and commences providing educational services to pupils on or after July 1, 2002, based on the denial of a petition by the governing board of a school district or county board of education, as described in paragraphs (1) and (2) of subdivision (j) of Section 47605, may locate only within the geographic boundaries of the chartering entity that initially denied the petition for the charter.
- (3) A charter school that receives approval of its charter from a governing board of a school district, a county office of education, or the state board before July 1, 2002, but does not commence operations until after January 1, 2003, shall be subject to the geographic limitations of this part, in accordance with subdivision (d). (e).
- (b) Nothing in this section is intended to affect the admission requirements contained in subdivision (d) of Section 47605.
- (c) Notwithstanding any other law, a charter school may establish a resource center, meeting space, or other satellite facility located in a county adjacent to that in which the charter school is authorized if the following conditions are met:
- (1) The facility is used exclusively for the educational support of pupils who are enrolled in nonclassroom-based independent study of the charter school.
- (2) The charter school provides its primary educational services in, and a majority of the pupils it serves are residents of, the county in which the school is authorized.
- (d) (1) For Notwithstanding subdivision (a) or subdivision (a) of Section 47605, and except as provided in paragraph (3), a charter school that is unable to locate within the jurisdiction of the chartering school district may establish one site outside the

-13- SB 1263

boundaries of the school district, but within the county in which that school district is located, if the school district within the jurisdiction of which the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools is notified of the location of the charter school before it commences operations, and the site is needed for temporary use for up to one school year during a construction or expansion project, unless the school district in which the charter school intends to operate consents to a longer period of time.

- (2) A charter school that locates outside the boundaries of the authorizing school district pursuant to paragraph (1) shall notify all parents of the pupils enrolled at the charter school at least 60 days before the beginning of the school year of all of the following information:
 - (A) The name of the authorizing school district.
- (B) The location of the temporary site at which the charter school will locate.
 - (C) The reason for the temporary site.

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- (D) The location of the site the charter school intends to locate within the authorizing school district after the temporary site.
- (E) The contact information, including, but not limited to, the name, phone number, and email address, of a person employed by the governing body of the charter school who may be contacted for questions or additional information.
- (3) (A) A charter school that was authorized to locate, and operated, a site outside the boundaries of the authorizing school district at which pupils were enrolled and attending before July 1, 2014, may continue to operate the site outside the boundaries of the authorizing school district until the charter school applies for renewal of its charter. At the time the charter school applies for renewal of its charter, the governing board of the authorizing school district shall make the following findings in order for the charter school to continue operating outside the boundaries of the authorizing school district:
- (i) That there is no site within the boundaries of the authorizing school district for the charter school to locate.
- (ii) That only one site is located outside the boundaries of the authorizing school district.
- (B) If the governing board of the authorizing school district does not make the findings described in clauses (i) and (ii) of

SB 1263 — 14—

subparagraph (A), the charter school shall not operate a site outside the boundaries of the authorizing school district after renewal of its charter unless the school district in which the site is located consents to the location of the charter school site.

- (4) Notwithstanding paragraph (1), a school district that is assigned a negative certification pursuant to paragraph (1) of subdivision (a) of Section 42131 shall not authorize new charter schools to locate outside the boundaries of the school district.
- (e) (1) For a charter school that was granted approval of its charter before July 1, 2002, and provided educational services to pupils before July 1, 2002, this section shall only apply to any new educational services or schoolsites established or acquired by the charter school on or after July 1, 2002.
- (2) For a charter school that was granted approval of its charter before July 1, 2002, but did not provide educational services to pupils before July 1, 2002, this section shall only apply upon the expiration of a charter that is in existence on January 1, 2003.
- (3) Notwithstanding other implementation timelines in this section, by June 30, 2005, or upon the expiration of a charter that is in existence on January 1, 2003, whichever is later, all charter schools shall be required to comply with this section for schoolsites at which educational services are provided to pupils before or after July 1, 2002, regardless of whether the charter school initially received approval of its charter school petition before July 1, 2002. To achieve compliance with this section, a charter school shall be required to receive approval of a charter petition in accordance with this section and Section 47605.
- (4) Nothing in this section is intended to affect the authority of a governmental entity to revoke a charter that is granted on or before the effective date of this section.

(e)

(f) A charter school that submits its petition directly to a county board of education, as authorized by Section 47605.5 or 47605.6, may establish charter school operations only within the geographical boundaries of the county in which that county board of education has jurisdiction.

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(g) Notwithstanding any other law, the jurisdictional limitations set forth in this section do not apply to a charter school that

15 SB 1263

1 provides instruction exclusively in partnership with any of the 2 following:

- (1) The federal Workforce Investment Act of 1998 (29 U.S.C. Sec. 2801 et seq.).
 - (2) Federally affiliated YouthBuild programs.

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- (3) Federal job corps training or instruction provided pursuant to a memorandum of understanding with the federal provider.
- (4) The California Conservation Corps or local conservation corps certified by the California Conservation Corps pursuant to Section 14507.5 or 14406 of the Public Resources Code.
- 11 (5) Instruction provided to juvenile court school pupils pursuant 12 to subdivision (c) of Section 42238.18 or pursuant to Section 1981 13 for individuals who are placed in a residential facility.